GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3244
ANSWERED ON:05.08.2016
Loan to Sugar Mills
Dhruvanarayana Shri Rangaswamy

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has provided/proposes to provide a comprehensive relief/bailout package as requested for the sugar industry in the country;

(b) if so, the details thereof along with the number of sugar mills defaulted/ outstanding loans by banks during each of the last three years and the current year, State and mill-wise including Maharashtra; and

(c) the steps taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance

(a): No, Madam.

(b): Does not arise.

(c): In order to help the sugar industry to improve their liquidity position and thereby facilitate clearance of cane price arrears of farmers, the Government has undertaken the following interventions:

i. Provided Incentive of Rs.484 crore on Raw Sugar Export during sugar seasons 2013-14 and 2014-15 for evacuation of excess stocks of sugar in the country.

ii. Extended interest free loan of Rs.6521 crore during sugar season 2013-14 under the Scheme for Extending Financial Assistance for Sugar Undertakings (SEFASU).

iii. Extended soft loan of Rs.4305 crore during 2014-15 sugar season.

iv. Facilitated sugar mills for supply of ethanol under Ethanol Blended Petrol (EBP)Programme to achieve enhanced ethanol blending target by fixing remunerative price and waiving off excise duty on supply of ethanol during 2015-16 sugar season.

v. Providing Performance based Production Subsidy @ Rs.4.50 per quintal of cane crushed during current sugar season 2015-16 to offset cane cost and timely clearance of cane dues of farmers.